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ATTORNEY GENERAL MASTO ANNOUNCES \$45 MILLION SETTLEMENT WITH SKECHERS FOR DECEPTIVE ADVERTISING

Las Vegas, NV – Nevada Attorney General Catherine Cortez Masto announced today a coordinated filing with the Federal Trade Commission, 44 states, and the District of Columbia as part of a national settlement with Skechers USA, Inc. Under the settlement, up to \$40 million is being allocated for consumer refund money to be paid to consumers who purchased Skechers Shape-Ups, Tone-Ups, and Resistance Runner athletic shoes.

As part of the settlement, Skechers will pay an additional \$5 million to the states. Nevada will receive \$82,960 as its share of the settlement.

"Nevada consumers who are contemplating buying merchandise should not be enticed into buying as a result of deceptive or misleading advertisements," said Masto. "I applaud the states and federal government for working together to reach this settlement that will help consumers across the nation."

The lawsuit filed today alleges that Skechers made health-related claims in the marketing, packaging, advertising, offering, and selling of its line of rocker-bottom shoe products that were not adequately substantiated at the time the claims were made.

The lawsuit alleges that without having adequate support for its claims, Skechers asserted that these rocker-bottom shoe products caused consumers to lose weight, burn calories, improve circulation, fight cellulite, and firm, tone or strengthen thigh, buttock, and back muscles.

Under the settlement, Skechers is prohibited from making these claims unless it has adequate substantiation to do so.

Skechers does not admit any wrongdoing and denies the factual allegations asserted in the complaint.

Restitution is available for consumers who purchased Shape-Ups, Tone-Ups, or the Skechers Resistance Runner. Contact the Federal Trade Commission at 866-325-4186 or www.ftc.gov for information about how to obtain a partial refund.

The case was handled by JoAnn Gibbs, Senior Deputy Attorney General, Bureau of Consumer Protection.

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